

Philip D. Dracht, Utah #11561
Bradley L. Tilt, Utah #7649
FABIAN & CLENDENIN, P.C.
215 South State, Suite 1200
Salt Lake City, Utah 84111-2323
Telephone: (801) 531-8900
Fax: (801) 5100-2814
pdracht@fabianlaw.com
btilt@fabianlaw.com
Attorneys for Defendants

Michael A. Rollin, Colorado #34846
Matthew D. Spohn, Colorado #39639
REILLY POZNER LLP
1900 16th Street, Suite 1700
Denver, Colorado 80202
Tel.: (303) 893-6100
Fax: (303) 893-6110
mrollin@rplaw.com
mspohn@rplaw.com
Attorneys for Defendants– Pro Hac Vice Pending

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

<p>SECURITYNATIONAL MORTGAGE COMPANY,</p> <p>Plaintiff,</p> <p>v.</p> <p>AURORA BANK FSB (formerly known as Lehman Brothers Bank, FSB) and AURORA LOAN SERVICES LLC,</p> <p>Defendants.</p>	<p>Case No. 2:11-cv-00434-TS</p> <p>ANSWER</p>
---	---

Defendants Aurora Bank FSB and Aurora Loan Services LLC (collectively, “Aurora”) answer the Complaint of Plaintiff SecurityNational Mortgage Company (“SecurityNational Mortgage”) as follows:

PARTIES

1. Admitted.
2. Admitted that Aurora Bank FSB is a federal savings bank. Denied that its principal place of business is in Delaware.

3. Admitted.

JURISDICTION AND VENUE

4. Admitted.
5. Admitted.
6. Admitted.

FACTUAL BACKGROUND

7. Admitted that SecurityNational Mortgage has previously engaged in the business of processing residential loans and selling mortgage loans to various entities. Aurora lacks information sufficient to admit or deny the remaining allegations regarding SecurityNational Mortgage’s current activities.

8. Admitted.
9. Admitted, with the qualification that SecurityNational Mortgage entered into other loan purchase agreements with Lehman Brothers Bank, FSB as well.
10. Admitted.
11. Admitted that Lehman Brothers Bank, FSB sold certain loans purchased from

SecurityNational Mortgage to Lehman Brothers Holdings, Inc. The remaining allegations of Paragraph 11 are denied.

12. The first sentence of Paragraph 12 is admitted. The remaining allegations of Paragraph 12 are denied.

13. Admitted that Lehman Brothers Bank, FSB ceased purchasing mortgage loans from correspondent lenders. The remaining allegations of Paragraph 13 are denied.

14. Admitted that SecurityNational Mortgage made certain payments under the Indemnification Agreement. The remaining allegations of Paragraph 14 are denied.

15. Admitted.

FIRST CLAIM FOR RELIEF

(Breach of Contract)

16. Paragraph 16 does not contain factual allegations that can be admitted or denied.

17. Denied.

18. Denied.

19. Denied.

20. Denied.

21. Denied.

SECOND CLAIM FOR RELIEF

(Breach of Contract)

22. Paragraph 22 does not contain factual allegations that can be admitted or denied.

23. Denied.

24. Denied.

25. Denied.

THIRD CLAIM FOR RELIEF

(Unjust Enrichment)

- 26. Paragraph 26 does not contain factual allegations that can be admitted or denied.
- 27. Denied.
- 28. Denied.

AFFIRMATIVE DEFENSES

- 1. The Complaint fails to state a claim for which relief can be granted.
- 2. Each of the claims is barred in whole or in part by the doctrines of laches, waiver, and estoppel given the unreasonable delay in asserting them.
- 3. Each of the claims is barred by SecurityNational Mortgage's material breach of the Indemnification Agreement.
- 4. SecurityNational Mortgage's damages, if any, are limited in whole or part by offset for sums still owed by SecurityNational Mortgage under the Indemnification Agreement.
- 5. Aurora reserves the right to assert additional defenses as they may be discovered.

DATED: June 14, 2011.

/s/ Philip D. Dracht
Philip D. Dracht
Bradley L. Tilt
FABIAN & CLENDENIN, P.C.
Attorneys for Defendants

CERTIFICATE OF SERVICE

The undersigned certifies that on July 14, 2011, a true and correct copy of this ANSWER was served by ECF to all parties of record:

s/Philip D. Dracht

Philip D. Dracht